Washington State Board of Accountancy - Experience Affidavit

The Washington State Board of Accountancy is required to comply with the Public Disclosure Act Chapter 42.17 RCW. This Act establishes a strong state mandate in favor of disclosure of public records. As such the information you submit to the Board including personal information may ultimately be subject to disclosure as a public record. To ensure you submit a complete application, please review the *Common Experience Affidavit Filing Errors* document posted on the agency's web site.

Section 1 – CPA's Verification
This is the Only Section to be *Completed by the Licensed CPA Verifying the Candidate's Experience*

If more than one CPA is verifying the candidate's experience a separate Section 1 must be attached for each verifying CPA.

CPA's Name: ______________________ License Number: ______________________
State of Issuance: ______________________
Address: ______________________ Phone Number: ______________________
______________________ Fax Number: ______________________
______________________ E-mail Address: ______________________

CPA's Verification:

I certify under the penalty of perjury that (1) I currently hold a valid license to practice public accounting; (2) I have held a valid CPA license to practice public accounting in a US jurisdiction for a minimum of 5 years (the 5 years do not have to be continuous); and (3) I verify the candidate has had experience supporting attainment of the following competencies **(check each appropriate competency):**

_____ Understanding the Rules of Professional Conduct Contained in Chapter 4-25 WAC
_____ Assessing the Achievement of an Entity's Objectives
_____ Preparing Documents that Contain Sufficient Data to Support Analysis and Conclusions
_____ Understanding Transaction Streams and Information Systems
_____ Assessing Risk and Designing Appropriate Procedures
_____ Making Decisions, Solving Problems, and Thinking Critically in the Context of Analysis
_____ Communicating Scope of Work, Findings and Conclusions Effectively

______________________ ______________________
Verifying CPA's Signature Date

______________________ ______________________ ______________________
City State Country

Section 2(a) – Candidate's Attestation
This Section is to be *Completed by the Candidate*

Date of Application: ______________________ Phone Number: ______________________
Candidate's Name: ______________________ Fax Number: ______________________
Social Security Number *: ______________________ Washington CPA Certificate # (if issued): ______________________
Address: ______________________ E-mail Address: ______________________
____
____

* Licensees and certificate holders are required to provide their social security number in order to assist in enforcement of child support laws. See RCW 26.23.150. Your social security number may also be used for identification purposes.

I certify under the penalty of perjury the representations I have made in this Experience Affidavit are accurate:

______________________ ______________________
Candidate's Signature Date

______________________ ______________________ ______________________
City State Country

Section 2(b) – Confirming You had a Minimum of One Year's Experience in the Required Skill Areas
This Section must be *Completed by the Candidate*

Candidate Name: ________________________________

List the organization(s) where you obtained your work experience (attach additional sheets if necessary):

Dates Worked - From:____________To:____________
Organization: ________________________________
Industry: ________________________________
Address: ________________________________
____
Title or Key Job Responsibilities: ____________________
____
Total Number of **Hours** Worked at this Organization (Not total hours per week or month): ________________

My experience at this organization included the following skill areas. For assistance see the *Definitions of Qualifying Experience* posted to the agency's web site. At a minimum you must check one of the following or your experience with this organization does not qualify:

___ Accounting
___ Issuing Reports on Financial Statements
___ Financial Advisory
___ Tax or Tax Advisory
___ Consulting Skills
___ Management Advisory

Dates Worked - From:___________To: ____________
Organization: ________________________________
Industry: ________________________________
Address: ________________________________
____
Title or Key Job Responsibilities: ____________________
____
Total Number of **Hours** Worked at this Organization (Not total hours per week or month): _________________

My experience at this organization included the following skill areas. For assistance see the *Definitions of Qualifying Experience* posted to the agency's web site. At a minimum you must check one of the following or your experience with this organization does not qualify:

___ Accounting
___ Issuing Reports on Financial Statements
___ Financial Advisory
___ Tax or Tax Advisory
___ Consulting Skills
___ Management Advisory

Total number of hours worked in **all** organizations: __________________ (Must be a minimum of 2,000 hours)
Total number of months worked in **all** organizations: _________________ (Must be a minimum of 12 Months)

Section 2(c) – Confirming You had Experience Supporting Your Attainment of the 7 Competencies
This Section is to be *Completed by the Candidate*

For **each** ability (1.1, 1.2, 1.3, 1.4, 2.1, 2.2, etc.) listed under the following 7 competencies, you must have had experience supporting your attainment of the ability. "Supporting your attainment of the ability" means you have an understanding of the ability; you know what standards or rules to access to support your work in this area; or you have participated in a program, procedures, etc., that entails these activities. It does not require "mastery" of the competency or ability.

Initial if you have had experience supporting your attainment of each ability in the seven competency areas. If you are unable to initial that you have had experience supporting your attainment of each ability listed below, you have not met the competency component of the experience requirement, you do not qualify for a license, and your application cannot be processed.

Initial	*Ability*
Competency 1 - Understand the Profession's Code of Conduct	
	1.1 Understand the laws and regulations governing CPAs.
	1.2 Demonstrate the ability to work with integrity, objectivity, professional skepticism, and due professional care.
	1.3 Make appropriate judgments to undertake only those tasks that can reasonably be expected to be completed with professional competence and seek advice and supervision when confronted with challenges beyond your immediate expertise.
	1.4 Understand the need for independence in providing attest services.

Candidate Name: ____________________________

Competency 2 - Assess the Achievement of an Entity's Objectives	
	2.1 Plan an engagement or work program.
	2.2 An understanding of an entity's* business (organization, objectives, goals, and operating characteristics) and matters affecting the entity's industry (economic conditions, government regulations, changes in technology, or other critical factors) is obtained and considered in determining the scope of the work program or services to be performed.
	2.3 Design and effectively perform analytical procedures.
	2.4 Identify conditions that may require the extension or modification of a work program or professional services.
	2.5 Evaluate the reasonableness of estimates and representations by others such as management.
Competency 3 - Develop Documentation and Sufficient Data to Support Analysis and Conclusions	
	3.1 Sufficient, relevant data is obtained, analyzed and documented to provide a reasonable basis for the conclusion(s) expressed in a report or other document.
Competency 4 - Understand Transaction Streams & Information Systems	
	4.1 Obtain and document an understanding of an entity's* internal controls, transaction streams and information systems.
	4.2 Make appropriate decisions about the nature, timing, and extent of procedures that support an analysis or conclusion.
Competency 5 - Assess Risk and Designing Appropriate Procedures	
	5.1 Assess the risk of misstatement of the underlying data.
	5.2 Identify and assess factors that may indicate the presence of fraud.
	5.3 Evaluate or design policies or procedures to reduce the risk that financial information would be misstated. Or participate in designing tests or procedures to obtain a reasonable level of assurance, that financial statements properly present the following management assertions: completeness, existence and occurrence, rights and obligations, valuation and allocation, and presentation and disclosure.
Competency 6 - Make Decisions, Solving Problems, and Thinking Critically in the Context of Analysis	
	6.1 Assess the appropriateness of conclusions based on sufficient, relevant data.
	6.2 Evaluate the appropriateness of financial information, disclosures, or transactions in accordance with the appropriate basis of accounting, or applicable rules and regulations.
Competency 7 - Communicate Scope of Work, Findings and Conclusions Effectively	
	7.1 Comply with appropriate reporting standards for professional services undertaken or draft appropriate communications expressing scope of work, findings, and conclusions.

*Entity includes: programs, projects, divisions, or an entire organization. See *Experience FAQs* posted to the agency's web site.

Washington State Board of Accountancy
How to Meet the Experience Requirements for Initial Licensure

I. General Instructions

The Board's goals in establishing competency requirements are to define the experience requirement in a manner that is applicable to candidates' obtaining their experience in a variety of fields and organizations, to provide a thorough guide to the licensed CPA to support a candidate during the apprenticeship period and in assessing whether a candidate's experience supports the attainment of the competencies, to meet statutory requirements for determining competency requirements for applicants for licensure, and to support public protection through clearly defined requirements for an apprenticeship period prior to licensure.

The experience requirements are as follows:

A. The candidate must obtain experience supporting the attainment of the following seven competencies:
   1. Understanding the rules of professional conduct as contained in chapter 4-25 WAC;
   2. Assessing the achievement of an entity's* objectives (**the term entity includes: programs, projects, divisions, or an entire organization*);
   3. Preparing documents that contain sufficient data to support analysis and conclusions;
   4. Understanding transaction streams and information systems;
   5. Assessing risk and designing appropriate procedures;
   6. Making decisions, solving problems, and thinking critically in the context of analysis; and
   7. Communicating scope of work, findings and conclusions effectively.

B. The candidate's experience must be for a minimum of 12 months, consisting of at least 2,000 hours, through the use of accounting, issuing reports on financial statements, management advisory, financial advisory, tax, tax advisory or consulting skills. The 2,000 hours are <u>work</u> hours; i.e., the hours are not limited to billable hours nor are they limited to hours for which the candidate received a wage or salary.

C. The experience must have been obtained within the eight years immediately preceding the date your application for licensure is filed with the Board. Except, if the candidate was a certificateholder on June 30, 2001 and submits the license application to the Board prior to June 30, 2004, the candidate is not limited to the eight-year limitation.

D. A licensed CPA (or CPAs) must verify that the candidate's experience supported the attainment of the competencies. The verifying CPA does not have to be the candidate's day-to-day work supervisor. However, the CPA must be qualified to verify the candidate's experience and complete Section 1 of the Experience Affidavit.

E. The candidate must fully complete Section 2 of the Experience Affidavit.

F. *Note: The Board will confirm the verifying CPA's license status. If the verifying CPA is licensed in another jurisdiction the process of the application may be delayed depending upon the timeliness of the other jurisdiction's response to our request for information.*

II. Instructions to CPAs

The CPA verifies that the candidate has had experience supporting the attainment of the competencies by completing Section 1 of the Experience Affidavit. **Note: The CPA does not verify that the candidate has attained the competencies. The burden of proof of the validity of the Experience Affidavit is on the candidate.** The CPA verifying a candidate's experience must meet the Board's qualifications. To be qualified the CPA must be a currently licensed CPA in one of the 54 US jurisdictions and have held a license to practice public accounting for a minimum of 5 years (the 5 years do not have to be continuous) prior to verifying the candidate's experience. The verifying CPA is not required to directly supervise the day-to-day work of the candidate nor is the CPA required to work for the same organization as the candidate. If a candidate's work experience is in a specialized service area, the CPA should have experience in the specialized service area. A licensed CPA intending to verify a candidate's experience is required to notify the candidate of any changes in their status as a licensee. The CPA should be able to support the candidate in locating opportunities where the candidate may obtain experience supporting the attainment of the competencies. A matrix showing the associations between the competencies and professional standards is posted to the agency's web site or by contacting the Board's office.

III. Instructions to Candidates

The candidate must complete Section 2(a), 2(b) and 2(c) of the Experience Affidavit. It is the candidate's responsibility to establish a relationship with a qualified CPA. If the CPA verifying the candidate's experience does not meet the Board's qualifications, the Board will not accept the CPA's verification. Therefore, **candidates need to confirm the CPA's qualifications prior to entering into a relationship**. This can be done by contacting the Board of Accountancy where the CPA is licensed and confirming the CPA holds a valid license to practice public accounting and has been licensed for a minimum of five years. The status of a Washington CPA can be confirmed by calling the Board's office at 360/753-2586 or by e-mailing your inquiry to: cpalicensequestions@cpaboard.wa.gov. The web site for the National Association of State Boards of Accountancy, www.nasba.org, lists the contact numbers for other accountancy boards. You must mail the Experience Affidavit to the Board's office as an attachment to your application for a license. In order to process the application we must have original signatures; therefore, **faxed applications and/or Experience Affidavits cannot be accepted or processed.** To speed up the processing of your application, we recommend you carefully review the form to ensure you have provided all the required information. *Common Experience Affidavit Filing Errors* and *Definitions of Qualifying Experience* have been prepared and are posted to the Board's web site and can also be obtained by contacting the Board's office.

IV. Suggested (Not Required) Relationship and Work Plan

Ideally the CPA will mentor, monitor, support and guide the candidate toward the attainment of the competencies through actual experience. The Board recognizes the CPA may oversee a candidate's experience even though the CPA may not be the candidate's employer-supervisor. The CPA has the primary role of evaluating whether the candidate has obtained experience meeting the Board's requirements. The Board recommends the candidate and the CPA establish a work plan, which includes a review of the candidate's Continuing Professional Education (CPE) requirements, for attaining the competencies. The Board recommends the CPA utilize the competencies listed in Section 2(c) of the Experience Affidavit as a guide for developing a work plan or program for the candidate, for counseling and/or interim progress meetings, identifying CPE requirements, and discussions, and as a tool for communicating the CPA's decisions regarding the candidate's progress, areas of concern, and expectations for future focus to the candidate. The Board recommends frequent meetings directly between the candidate and the CPA to provide an opportunity for the candidate to seek the CPA's counsel and an opportunity for the CPA to provide interim evaluations of the candidate's experience. If the CPA and the candidate discontinue their relationship prior to the candidate meeting the Board's experience requirements, it is preferable that the CPA provide the candidate with an interim evaluation of the candidate's experience to date and be available to discuss the candidate's experience with CPAs that may, at a later date, agree to enter into a relationship with the candidate. However, the CPA is not required by Board rule to provide such an evaluation. The candidate will need to establish a second relationship to complete the experience requirement.

V. Disputes between the Candidate and the CPA

If the candidate disagrees with the CPA's decisions regarding verifying the candidate's experience, the Qualifications Committee has a dispute resolution process to review and conclude on such disagreements. The candidate must request dispute resolution by way of the Board's prescribed process. Note, if you request the Committee undertake a review of your experience to resolve a dispute with your verifying CPA, the Committee's decision is binding. If the Committee concludes your experience is insufficient, you must document additional prior experience or obtain additional new experience in the areas deemed deficient.

VI. Board Reviews and Audits of Experience Affidavits

The Board's Qualifications Committee and Board staff review all Experience Affidavits. The Qualifications Committee may require both the candidate and the verifying CPA to explain the representations made on the Experience Affidavit. To facilitate the processing of applications, both verifying CPAs and candidates are required to respond to Board staff and Qualifications Committee requests for information within 20 days of the date such an inquiry is posted in the U.S. mail. As part of the evaluation of the candidate's application the Qualifications Committee may require information relating to the candidate's fulfillment of the experience requirement. All experience applications are subject to audit and the candidate must maintain supporting information for a minimum of 12 months after the date the candidate's experience is approved by the Board. Supporting information could include such information as: employment records, confirmations of work experience from former supervisors or peer employees, performance appraisals, discussion notes from meetings with the verifying CPA, interview documents, work plans, CPE records, or any other documents that could be used to support the validity of the representations made on the Experience Affidavit. **The burden of proof of the validity of the Experience Affidavit is on the candidate.** The Board's Qualifications Committee audits compliance with these requirements on a random and/or select basis. Both the verifying CPA and the candidate are required to respond to Board staff and Qualifications Committee requests for information within 20 days of the date such an inquiry is posted in the U.S. mail. Both the verifying CPA and the candidate may be required to meet with Board staff or a Qualifications Committee representative and provide information as requested.